

STUDENT IDENTIFICATION NO										
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# **MULTIMEDIA UNIVERSITY**

## FINAL EXAMINATION

T1, 2019/2020

### **BBM7094 – BUSINESS MANAGEMENT**

(MBA Full Time)

4 OCTOBER 2019 9.00 a.m. – 12.00 p.m. (3 Hours)

#### INSTRUCTIONS TO STUDENTS

- 1. This question paper consists of SIX (6) pages (including the cover page).
- 2. Answer ALL questions. The marks distributions are given in parentheses.
- 3. Write all your answers in the **Answer Booklet** provided.

Answer ALL questions.

#### Part A: The World of Management in the 21st Century.

(30 marks)

#### The Netherlands' national airline is encouraging people not to fly

By Natasha Frost • July 5, 2019

KLM Royal Dutch Airlines has an unusual message for its customers: Maybe don't take that flight.

In a June 29 open letter from its CEO, Pieter Elbers, the airline invited air travelers to make "responsible decisions about flying," and encouraged customers to invest in the airline's carbon offsetting scheme, CO2ZERO.

"We're in this together. We work hard to get things right, but all parties involved need to join forces to create a sustainable future. All stakeholders in the aviation industry, all corporations in any industry. And yes, all air travelers too. What can you do, in addition to carefully considering your travel plans?"

It's all part of KLM's new "Fly Responsibly" campaign, which includes a website with information on its commitment to sustainable fuel and practices. A short video poses three questions to customers: Do meetings always have to take place face-to-face? Could you take the train instead? And could you contribute by compensating your CO2 emissions or packing light? "We all have to fly every now and again," it concludes. "But next time, think about flying responsibly."

KLM is already among the world's more fuel efficient airlines, according to the International Council on Clean Transportation, due in part to its cabin layout. Airlines with more business- and first-class seats, for instance, have a greater carbon footprint, relative to the number of people they are able to transport.

Environmentally conscious customers, especially in Europe, are increasingly opting out of flying, which contributes about 2.5% of global emissions. (Few personal actions are quite so harmful for the environment.) They may be following in the footsteps of climate campaigners such as Greta Thunberg: The Swedish teenager and activist will only travel by rail or bus, and is considering taking a cargo ship to attend the UN's special climate change meeting in New York in September.

At the same time, governments across Europe are pressuring airlines to be more accountable: The French government recently called for EU executives to end a global tax exemption for jet fuel to reduce air travel and, in turn, emissions. Lawmakers have also previously proposed banning short domestic and international flight routes, which are often only marginally quicker than high-speed trains.

Of course, KLM isn't planning to hang up its flying goggles just yet. "It is our business and we want to stay in business," it said, in a statement following Elbers' letter. "We are stepping up to speed up progress towards a sustainable future, but we are a company that needs to make profit to survive and to continue to invest in sustainable solutions. We want to still be around when we have succeeded in our efforts to make aviation sustainable."

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Some Dutch politicians have already dismissed the campaign as simple greenwashing. For now, the airline is only offering gentle encouragement to fly less, and has not imposed more drastic solutions, such as making its carbon-offsetting scheme compulsory for consumers, or reducing its short-haul legs.

Source: Frost, N. (2019). The Netherlands' national airline is encouraging people not to fly. Retrieved from https://qz.com/1658880/klm-airline-is-encouraging-people-not-to-fly/

1. List and discuss the impacts of 'flying less' on KLM's FOUR (4) stakeholders.

(12 marks)

- 2. Do you think that other airlines should follow this 'flying less' decision? Discuss from a traveler's perspective, AND, an airline manger's perspective. (8 marks)
- 3. Besides encouraging travelers to 'fly less', as a manager in an airline company, what do you think you can do in order to 'go green'? (4 marks)
- 4. As a manager, suggest THREE (3) techniques to reduce your employees' resistance to change? (6 marks)

#### Part B: Planning and Organizing.

(40 marks)

Putrajaya names two conditions for Malaysia Airlines suitors

Arjuna Chandran Shankar/theedgemarkets.com

July 10, 2019

KUALA LUMPUR (July 10): Prime Minister Tun Dr Mahathir Mohamad has laid down two conditions for parties interested to take over ailing national carrier Malaysia Airlines Bhd.

Speaking to reporters in the parliament lobby today, Dr Mahathir said the first condition is to preserve Malaysia Airlines' national identity, and the second is that the takeover proposal should not involve laying off the airline's existing employees.

"The main thing now is that number one, we preserve the identity of the airline as a Malaysian airline and number two is that any proposal does not involve the sacking of [Malaysia Airlines] staff," he said.

When asked whether the Malaysian government is willing to give up some shareholdings in Malaysia Airlines to Singapore Airlines Ltd, Dr Mahathir said all proposals will be taken into consideration.

"We are studying all the proposals, some are concrete and some are merely verbal proposals. We don't ignore anyone," he said.

Dr Mahathir also said the government is willing to give up its "majority" stake in Malaysia

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Airlines, but will ensure that Putrajaya "has a say".

"The government does not want to be bailing out Malaysia Airlines so many times, but at the same time the government wants to have a say. So we may not have a majority share, but we have to preserve some government role," he said, in response to a question on whether the government is willing to relinquish a strategic stake in airline.

"All options will be evaluated to find the best solution. We have changed the management of the airline many times, everyone promises that they can turn around the company, but in the end they all failed. This time around, we don't want to give [control of the airline] without really studying the capabilities of the people who may want to take over the airline," said the premier, adding there is no time limit for the government to make a decision on the fate of Malaysia Airlines.

Source: Shankar (2019). Putrajaya names two conditions for Malaysia Airlines suitors. Retrieved from: https://www.theedgemarkets.com/article/putrajaya-names-two-conditions-malaysia-airlines-suitors

- 1. Please assist our Prime Minister, Tun Dr. Mahathir, to re-plan Malaysia Airlines, using the first four steps in the strategic management process. Explain what should be emphasized in each step. (16 marks)
- 2. Discuss the THREE (3) types of corporate strategies.

(6 marks)

- 3. Following the previous question, justify which strategy should be implemented by Malaysia Airlines. (6 marks)
- 4. You have planned to downsize Malaysia Airlines. How will you manage this downsizing? (12 marks)

#### Part C: Managing in the 21st Century.

(30 marks)

What do millennials want at work? It's not what you think

by Jenny Darmody

27 JUN 2018

What do you think your millennial employees want in their career? Do you think you have them figured out? Think again.

Millennials can get a pretty bad rap from other generations. Society seems to allow itself to brand the entire millennial generation as lazy, entitled and even 'too politically correct'.

In a new report, Udemy looked at how millennials are actually faring in the workplace, both in terms of their own attitudes to work, and the challenges they face with other generations.

Firstly, what do we know about the millennial generation that's factual and not simply a

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stereotype? While the exact years may vary slightly depending on who you ask, it's safe to say that the term 'millennial' refers to those born roughly between 1981 and 2000.

We also know that millennials are currently the largest generation currently active in the workforce – so, whatever you may think of them, they have the power to stand up for what they think they deserve in the workplace.

With this in mind, what do millennials want from their employers?

Udemy's report was conducted with more than 1,000 US adults aged between 21 and 37. The report showed that learning and development, flexibility, and stability were some of the key desires from millennial employees.

Shelley Osborne, head of learning and development at Udemy, said one of the more surprising findings from the report was the millennials' desire for stability. "One better-known millennial stereotype is their tendency to be job-hoppers. Surprisingly, our research found quite the contrary," she said.

Indeed, the report showed that 43% of millennials expect to have between three and five jobs during their career, and 38% are expecting only one or two. "That doesn't sound like a desire to job-hop to me."

Osborne also warned that employers are in danger of stunting the millennial workforce with a lack of trust. More than two-thirds of millennials say there's a gap between what they feel capable of doing and what employers believe they're qualified for. Additionally, 86% feel undermined by negative stereotypes about their generation's work ethic.

"It's time employers shut down these stereotypes and empower their millennial workers to do the job at hand and help them prepare for the next one," said Osborne.

And which stereotypes and labels bother millennials the most? Unsurprisingly, 'lazy' topped the list, followed by 'entitled' and 'self-centred'.

Women, especially younger women, also dislike being perceived as 'unprepared for a real-world workplace' while younger men are more bothered by being called 'oversensitive' or a 'know-it-all'.

Upskilling and the future of work

While assuming the key to millennials' hearts is quirky perks and games rooms is a common misconception, the truth is much simpler.

We've noted learning and development as one of most important elements of a job for millennials, with 42% deeming it the single most important benefit when deciding where to work.

"Millennials are eager to enhance their skillsets, and employers must provide learning resources if they want to bring millennials on board and, more importantly, keep them there," said Osborne.

Looking ahead to the future of work – which the millennial generation is set to dominate in numbers alone -73% of those surveyed said they expect they'll need to pursue additional education or training to advance in their careers, dispelling the notion that this generation wants a prize just for showing up.

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Osborne also warned employers that millennials are vital for the future of work. "They make up the largest population in the workforce and, by default, the future of work would be jeopardised if employers stunt millennials' professional growth."

Source: Darmody, J. (2018). What do millennials want at work? It's not what you think. Retrieved from: https://www.siliconrepublic.com/careers/millennials-future-of-work-udemy

- List and discuss THREE (3) barriers to effective communication faced by managers, especially when dealing with millennials. Include a specific example of each barrier to support your answer. (9 marks)
- 2. Discuss the FIVE (5) sources in which leader power has been identified. Include specific examples of each source of power to support your answer. (10 marks)
- 3. As a leader, which power will you use to motivate your millennials employees? (5 marks)
- 4. Identify THREE (3) feedback control measures that would reduce workplace violence. (6 marks)

**End of Paper** 

